



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

June 22, 2022

ROBERT PHILLIPS III, TREASURER
KAROLINE FOR CONGRESS
PO BOX 307
PLAISTOW, NH 03865

Response Due Date
07/27/2022

IDENTIFICATION NUMBER: C00784884

REFERENCE: APRIL QUARTERLY REPORT (01/01/2022 - 03/31/2022)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following **8** item(s):

1. Schedule A of your report discloses one or more contributions that appear to be from a corporation(s) and/or labor organization(s) (see attached). 52 U.S.C. § 30118(a) (formerly 2 U.S.C. § 441b(a)) and 11 CFR § 103.3(b) prohibit the receipt of contributions from corporations and labor organizations unless made from separate segregated funds established by the corporations and labor organizations.

If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information.

If you have received prohibited contributions, you must make a refund within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(1) and (2))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(a) of the report covering the period in which the refund is made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

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2. Schedule A of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached).

An individual or a political committee other than an authorized committee or qualified multi-candidate committee may not make a contribution(s) to a candidate for federal office in excess of \$2,900 per election. An authorized committee may not make a contribution(s) to a candidate for federal office in excess of \$2,000 per election. A qualified multi-candidate committee and all affiliated committees may not make a contribution(s) to a candidate for federal office in excess of \$5,000 per election. The term "contribution" includes any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. (52 U.S.C. § 30116(a) and (f) (formerly 2 U.S.C. § 441a(a) and (f)); 11 CFR § 110.1(b), (e) and (k))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information. If any contribution you received exceeds the limits, you may have to refund the excessive amount.

Excessive contributions may be retained if, within 60 days of receipt, the excessive portions are properly redesignated or reattributed. Guidelines for each option are provided below.

Please note that reattributions only apply to excessive contributions from individuals. An excessive contribution is considered properly reattributed if (1) the contributors provide the committee with written documentation, signed by each contributor, authorizing a reattribution and indicating the amount of the contribution to be attributed to each contributor; or (2) the committee reattributes by presumption the excessive portion of the contribution if the contribution was made on a written instrument from a joint account and was signed by only one of the account holders. In this case, the treasurer must notify the contributors in writing within 60 days of receiving the contribution that the committee intends to reattribute the excessive portion and must give the contributor an opportunity to request a refund. (11 CFR § 110.1(k)(3)(ii)(B))

Please note that you cannot presumptively redesignate an excessive contribution from a multi-candidate committee. Also, a contribution can only be redesignated to a previous election to the extent that the contribution does not exceed the committee's net debts outstanding for that election. (11 CFR § 110.1(b)(3)(i))

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If the foregoing conditions for reattributions or redesignations are not met within 60 days of receipt of the contribution, the excessive amount must be refunded. See 11 CFR § 103.3(b)(1).

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks and/or letters reattributing or redesignating the contributions in question. Refunds are reported on Line 20(a), (b), or (c), as applicable, of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A of the report covering the period in which the authorization for the redesignation and/or reattribution is received. (11 CFR § 104.8(d)(2), (3) and (4))

Although the Commission may take further legal action concerning the acceptance of excessive contributions, your prompt action to refund, redesignate, and/or reattribute the excessive amount will be taken into consideration.

3. Schedule A of your report discloses one or more contributions that appear to be from a limited liability corporation(s) (LLC) (see attached). 11 C.F.R. §110.1(g) allows the receipt of contributions from LLCs providing the LLC is treated as a partnership for tax purposes, and has not elected to be treated as a corporation by the Internal Revenue Service (IRS). Both LLCs that claim corporate status and those that are publicly traded would be treated as corporations for FECA purposes.

Please amend your report to clarify if the LLCs in question are treated as partnerships. If any apparently prohibited contribution in question was incompletely or incorrectly disclosed, you must amend your original report with clarifying information. 52 U.S.C. § 30116(f) prohibits a candidate for federal office from accepting contributions from a person in excess of \$2,900 per election. A partnership is included in the definition of "person" under 52 U.S.C. § 30101(11) (formerly 2 U.S.C. §431(11)).

If you have received prohibited contributions, you must make a refund. (11 CFR § 103.3(b)(1)) The refund must be made within 30 days of the treasurer becoming aware of the illegality of the contribution. (11 CFR § 103.3(b)(2))

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide a photocopy of any refund checks. Refunds must be reported on a Schedule B supporting Line 20(a) of the

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report covering the period in which the refund was made. (11 CFR § 104.8(d)(4))

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, your prompt action to refund the prohibited amount will be taken into consideration.

4. Schedule A of your report discloses contributions earmarked through a conduit but fails to disclose required information for the conduit(s).

Please be reminded that when a committee receives an earmarked contribution(s) through an allowable conduit, each individual contribution must be itemized when the individual's total contributions to your committee aggregate over \$200 per election cycle. This itemization must include the full name, address, occupation, and employer of the individual contributor along with the date the contribution(s) was received by the conduit. Any un-itemized contributions received through the conduit must be included in your totals on Line 11(a)(ii) of the Detailed Summary Page.

In addition, information regarding the conduit or intermediary for each contribution must be itemized on Schedule A as a memo entry. The conduit's full name and address (and occupation and employer if the conduit is an individual) must also be provided, along with the date the contribution(s) was received by your committee and the total amount of earmarked contributions received from the conduit.

Please amend your report to disclose the proper format for earmarked contributions received from a conduit or intermediary. Please clearly indicate which conduit memo entry corresponds to each earmarked contribution. You can refer to the FEC Campaign Guide for Congressional Candidates and Committees for further guidance on how to report earmarked contributions through a conduit (11 CFR § 110.6(c)(2))

5. On Schedule B supporting Line 17 of your report, you have itemized disbursements for which you have failed to include the address and/or purpose. Please amend your report to include the missing information. (11 CFR § 104.3(b)(4))

Additional clarification regarding purposes of disbursement and a non-exhaustive list of acceptable purposes are available on the FEC website at <http://www.fec.gov/help-candidates-and-committees/purposes-disbursement/>.

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6. Itemized disbursements must include a brief statement or description of why each disbursement was made. Please amend Schedule B supporting Line 17 of your report to clarify the following description(s): "Event Expense" and "General Consulting." For further guidance regarding acceptable purposes of disbursement, please refer to 11 CFR 104.3(b)(4)(i)(A).

Additional clarification regarding inadequate purposes of disbursement and a non-exhaustive list of acceptable purposes are available on the FEC website at <http://www.fec.gov/help-candidates-and-committees/purposes-disbursement/>.

7. Schedule B of your report discloses reimbursements to individuals for the following disbursement(s): "Expense Reimbursement." Please be advised that when itemizing reimbursements to individuals for goods or services, if the payment to the original vendor aggregates in excess of \$200 in an election cycle, a memo entry including the name and address of the original vendor, as well as the date, amount and purpose of the original purchase must be provided. Please amend your report to include the missing information on Schedule B and clearly identify each memo entry supporting a reimbursement. If itemization is not necessary, you must indicate so in an amendment to this report. (11 CFR §§ 104.3(b)(4)(i) and 104.9, and Advisory Opinions 1992-1 and 1996-20, footnote 3)

8. Schedule B of your report discloses reimbursements to individuals for the following travel-related disbursement(s): "Flight Reimbursement," "Travel Reimbursement," "Travel Expense Reimbursement," and "Travel Flight Reimbursement." When the reimbursement amount to individuals for travel and subsistence advances exceeds \$500, the payments by staff to any one vendor that make up the reimbursement may have to be itemized. For example, if the related payments to any one vendor aggregate in excess of \$200 for the election cycle, the staff advance payment to the vendor must also be itemized in a memo entry for that reimbursement. Each memo entry must include the complete name and address of the original vendor, as well as the date, amount, and detailed purpose of the advance. If itemization is not necessary for a particular reimbursement to staff in excess of \$500, you must indicate so in an amendment to this report. Please amend your report to include the missing or clarifying information. See Advisory Opinion 1996-20 for additional clarification. (11 CFR § 104.9)

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee

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will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. For information about the report review process or specific filing information for your committee type, please visit www.fec.gov/help-candidates-and-committees. For more information about Requests for Additional Information (RFAI), why you received a letter, and how to respond, please visit www.fec.gov/help-candidates-and-committees/request-additional-information. Should you have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1167.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise Stilla", with a stylized flourish at the end.

Denise Stilla
Senior Campaign Finance Analyst

Apparent Excessive, Prohibited, and Impermissible Contributions
Karoline for Congress (C00784884)

Apparent Excessive Contributions from Individuals

Contributor Name	Date	Amount	Election
Avanzino, James	7/21/21	\$250.00	P2022
Avanzino, James	8/25/21	\$100.00	P2022
Avanzino, James	8/25/21	\$100.00	P2022
Avanzino, James	8/28/21	\$250.00	P2022
Avanzino, James	2/8/22	\$1,000.00	P2022
Avanzino, James	3/31/22	\$1,000.00	P2022
Avanzino, James	3/31/22	\$1,000.00	P2022
Boucher, Tom	10/31/21	\$1,000.00	P2022
Boucher, Tom	12/9/21	\$900.00	P2022
Boucher, Tom	12/31/21	\$1,000.00	P2022
Boucher, Tom	1/19/22	\$1,000.00	P2022
Boucher, Tom	3/24/22	\$500.00	P2022
Coutu, Michael	9/29/21	\$2,900.00	P2022
Coutu, Michael	3/31/22	\$2,800.00	P2022
Cunningham, Lawrence	7/19/21	\$1,000.00	P2022
Cunningham, Lawrence	7/31/21	\$500.00	P2022
Cunningham, Lawrence	8/13/21	\$500.00	P2022
Cunningham, Lawrence	8/24/21	\$500.00	P2022
Cunningham, Lawrence	9/14/21	\$400.00	P2022
Cunningham, Lawrence	1/18/22	\$1,000.00	P2022
Cunningham, Lawrence	2/15/22	\$1,000.00	P2022
Cunningham, Lawrence	3/15/22	\$1,000.00	P2022
Dilorenzo, Anthony	11/23/21	\$2,900.00	P2022
Dilorenzo, Anthony	3/30/22	\$2,900.00	P2022
Faro, Joseph	9/3/21	\$2,500.00	P2022
Faro, Joseph	3/7/22	\$2,900.00	P2022
Faro, Joseph	3/31/22	\$2,500.00	P2022
Finn, Paul	8/23/21	\$2,500.00	P2022
Finn, Paul	3/1/22	\$2,500.00	P2022
George, Deirdre	9/15/21	\$2,500.00	P2022
George, Deirdre	1/1/22	\$2,100.00	P2022

Apparent Excessive, Prohibited, and Impermissible Contributions
Karoline for Congress (C00784884)

George, Michael	9/15/21	\$2,500.00	P2022
George, Michael	1/1/22	\$2,900.00	P2022
Gomez, Matthew	10/23/21	\$500.00	P2022
Gomez, Matthew	11/18/21	\$500.00	P2022
Gomez, Matthew	11/24/21	\$500.00	P2022
Gomez, Matthew	12/16/21	\$1,000.00	P2022
Gomez, Matthew	2/9/22	\$50.00	P2022
Gomez, Matthew	2/9/22	\$50.00	P2022
Gomez, Matthew	3/3/22	\$2,900.00	P2022
Gomez, Matthew	3/6/22	\$62.00	P2022
Hanlon, Shawn X (partner memo)	9/24/21	\$1,450.00	P2022
Hanlon, Shawn	3/31/22	\$2,900.00	P2022
Homer, Chester	12/31/21	\$2,900.00	P2022
Homer, Chester	1/3/22	\$2,900.00	P2022
Hornig, Patrick	7/25/21	\$50.00	P2022
Hornig, Patrick	7/25/21	\$50.00	P2022
Hornig, Patrick	7/25/21	\$10.00	P2022
Hornig, Patrick	7/25/21	\$500.00	P2022
Hornig, Patrick	8/13/21	\$500.00	P2022
Hornig, Patrick	8/19/21	\$100.00	P2022
Hornig, Patrick	8/24/21	\$24.00	P2022
Hornig, Patrick	8/27/21	\$20.22	P2022
Hornig, Patrick	8/31/21	\$20.22	P2022
Hornig, Patrick	9/2/21	\$20.22	P2022
Hornig, Patrick	9/4/21	\$25.00	P2022
Hornig, Patrick	9/7/21	\$20.22	P2022
Hornig, Patrick	9/15/21	\$1,000.00	P2022
Hornig, Patrick	9/29/21	\$20.22	P2022
Hornig, Patrick	10/14/21	\$20.24	P2022
Hornig, Patrick	11/12/21	\$20.22	P2022
Hornig, Patrick	11/13/21	\$20.22	P2022
Hornig, Patrick	11/13/21	\$50.00	P2022
Hornig, Patrick	11/13/21	\$50.00	P2022
Hornig, Patrick	11/16/21	\$380.00	P2022
Hornig, Patrick	1/2/22	\$20.22	P2022
Hornig, Patrick	1/5/22	\$25.00	P2022
Hornig, Patrick	1/10/22	\$20.22	P2022

Apparent Excessive, Prohibited, and Impermissible Contributions
Karoline for Congress (C00784884)

Hornig, Patrick	1/11/22	\$20.22	P2022
Hornig, Patrick	1/31/22	\$25.00	P2022
Hornig, Patrick	2/5/22	\$25.00	P2022
Hornig, Patrick	2/17/22	\$20.22	P2022
Hornig, Patrick	3/3/22	\$500.00	P2022
Hornig, Patrick	3/5/22	\$25.00	P2022
Kageleiry, Sheila	9/20/21	\$1,500.00	P2022
Kageleiry, Sheila	12/22/21	\$1,400.00	P2022
Kageleiry, Sheila	3/7/22	\$2,278.00	P2022
Lyons, William	9/29/21	\$2,900.00	G2022
Lyons, William	3/31/22	\$2,900.00	G2022
Lyons, William	9/29/21	\$2,900.00	P2022
Lyons, William	3/31/22	\$2,900.00	P2022
M., Joseph	2/18/22	\$2,000.00	P2022
M., Joseph	3/21/22	\$2,900.00	P2022
Macdonald, Eric	1/21/22	\$3,000.00	P2022
Marston, Paul J	8/18/21	\$2,900.00	P2022
Marston, Paul	3/28/22	\$2,900.00	P2022
Meyer, Joanne	9/29/21	\$2,800.00	P2022
Meyer, Joanne	3/31/22	\$2,900.00	P2022
Morrissey, John	7/21/21	\$2,900.00	P2022
Morrissey, John	2/18/22	\$2,900.00	P2022
Morse, Harold	12/31/21	\$2,100.00	G2022
Morse, Harold	1/1/22	\$2,100.00	G2022
Morse, Harold	12/31/21	\$2,900.00	P2022
Morse, Harold	1/1/22	\$2,900.00	P2022
Moulton, Thomas	9/16/21	\$2,900.00	P2022
Moulton, Thomas	2/15/22	\$20.22	P2022
Moulton, Thomas	2/28/22	\$20.22	P2022

Apparent Excessive, Prohibited, and Impermissible Contributions
Karoline for Congress (C00784884)

Sanders, Benny	8/24/21	\$2,000.00	P2022
Sanders, Ben	3/15/22	\$1,000.00	P2022
Sanders, Ben	3/15/22	\$2,000.00	P2022
Tombarello, George	7/20/21	\$1,000.00	P2022
Tombarello, George R	12/14/21	\$1,000.00	P2022
Tombarello, George R	2/25/22	\$1,000.00	P2022
Wagner, Charles	2/16/22	\$2,900.00	P2022
Wagner, Charles	3/7/22	\$250.00	P2022
Wagner, Charles	3/31/22	\$550.00	P2022

Contributions from Possible Prohibited Entities

Contributor Name	Date	Amount	Election
Broom Resource Investments LLC	1/11/22	\$1,000.00	P2022
EJM Holdings LLC	3/31/22	\$2,900.00	P2022
Hampton Household Expense LLC	3/31/22	\$2,900.00	P2022
Hampton Household Expense LLC	3/31/22	\$2,900.00	G2022
Results Heat Transfer Vinyl Inc	3/31/22	\$250.00	P2022
Riccio Enterprises LLC	1/18/22	\$1,300.00	P2022
Rockingham Trading Post	2/17/22	\$500.00	P2022
Scott Mitchell Real Estate LLC	3/31/22	\$2,000.00	P2022